

# North Carolina's Economy



# Trends and Future Work

Place Comparisons  
Data Analytics

Best Practices

Strategic Plans

## INNOVATIVE PRACTICES IN WORKFORCE DEVELOPMENT

CONFERENCE BRIEFING RESEARCH  
Prepared for The Home of Future Thinking Conference and the Danville Regional Foundation



ECONOMIC  
LEADERSHIP

NOVEMBER 2018



MISSOURI CHAMBER  
MISSOURI REALTORS



Virginia Industry  
FOUNDATION

Virginia Manufacturing Competitive Indexes

November 2018



The Challenge to Compete  
Kansas Workforce 2020

KANSAS  
CHAMBER  
UNITED FOR BUSINESS







DEFINITION

# Economic Development



PANTONE  
278 C



PANTONE  
291 C



PANTONE  
297 C



PANTONE  
298 C



PANTONE  
542 C



PANTONE  
543 C

**IEDC defines** the term as a program, group of policies, or activity that seeks to improve the **economic** well-being and quality of life for a community, by creating and/or retaining jobs that facilitate **growth** and provide a stable tax base.

**California Local Economic Developers'** - Economic Development is anything a community does to foster and create a healthy economy. It is a process of deliberate intervention in the normal economic growth by making it easier or more attractive.

**UNC-Chapel Hill ED Handbook** - Economic development is both a process and a set of desired outcomes. The process is multifaceted and dynamic and results in new private investment, job creation, increased wealth, and a higher standard of living for residents.



Community development is a process for **making a community a better place to live and work.** Economic development is the creation of wealth from which many community benefits result.

**"Community development** is a process where **community** members come together to take collective action and generate solutions to common problems."

[PeerNetBC.com](https://www.peernetbc.com)





Product  
Development



Client  
Generation

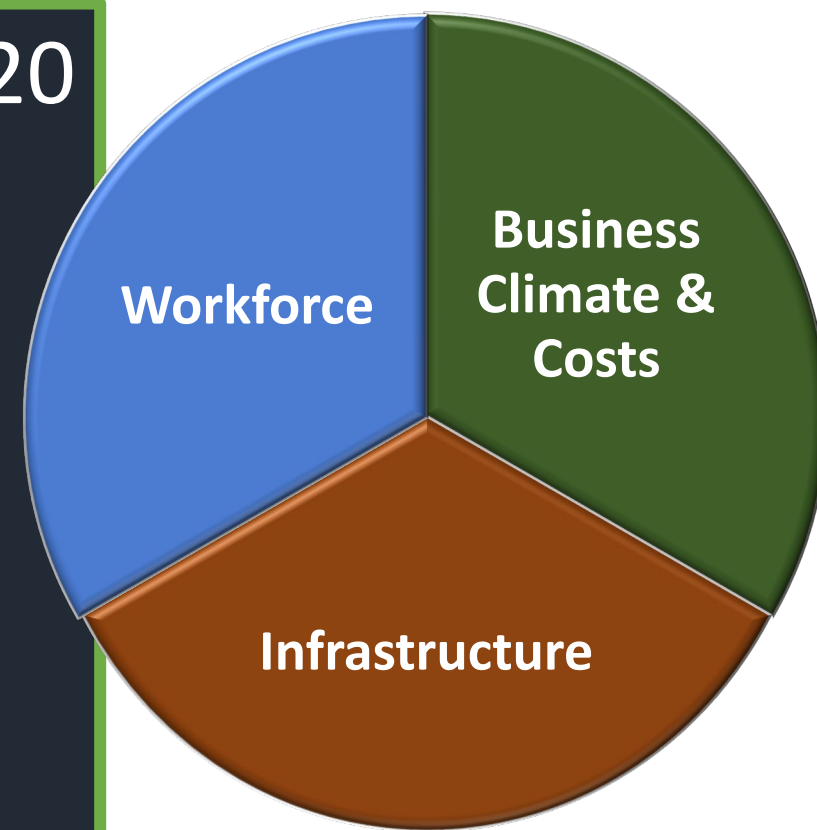


Project  
Management

At the local level...  
Government department  
Committee of 100 or nonprofit  
Chamber of Commerce

# Top Site Selection Issues 2020

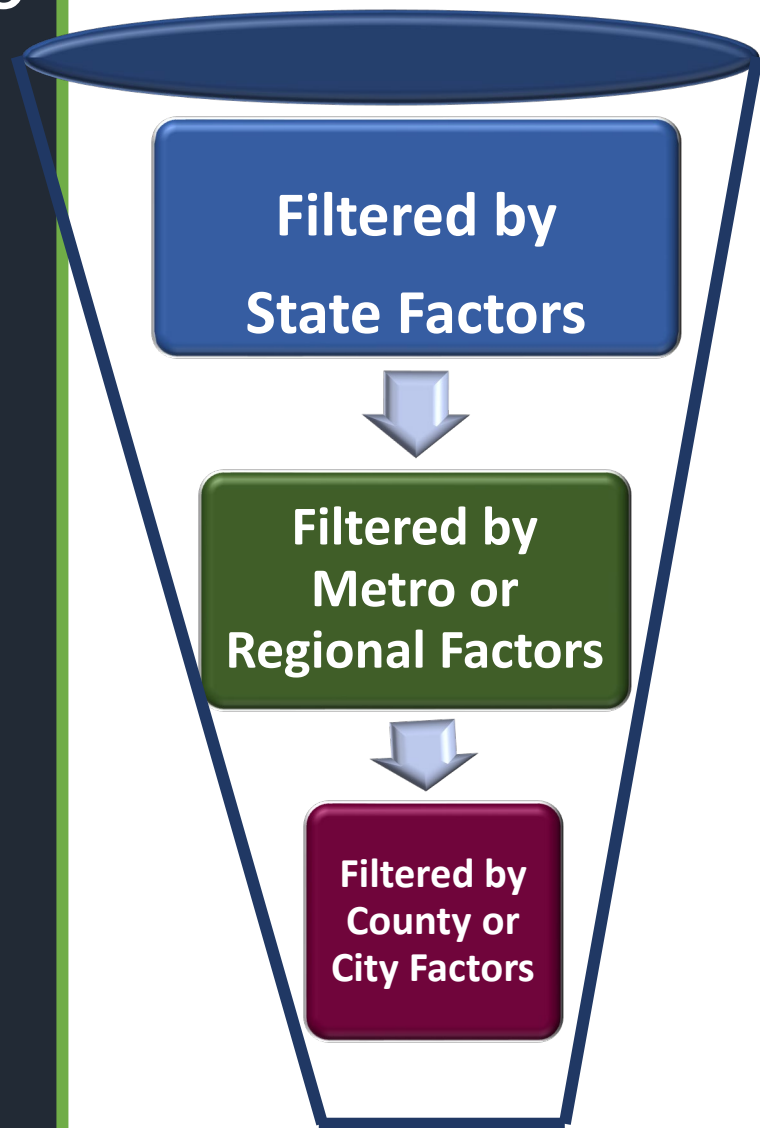
1. Highway Accessibility
2. Availability of Skilled Labor
3. Labor Costs
4. Quality of Life
5. Occupancy or Construction Costs
6. Corporate Tax Rate
7. Energy Availability and Costs
8. Tax Exemptions
9. Environmental Regulations
10. Proximity to Major Markets
11. Right-to-Work State
12. Available Buildings
13. Fast-Track Permitting
14. State and Local Incentives
15. Shipping Costs





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## Metro/Regional Factors

- Labor/Talent
- Training Capacity
- Highways and Infrastructure
- QOL
- Supply Chains
- Energy
- Housing
- Brand

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## County/City Factors

- Available buildings and ready sites
- Infrastructure
- Approval processes
- Incentives

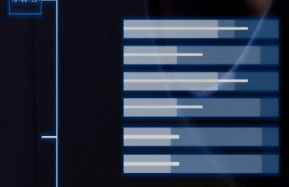




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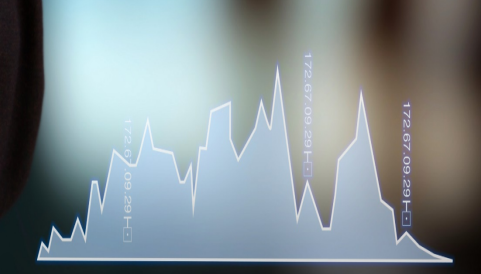
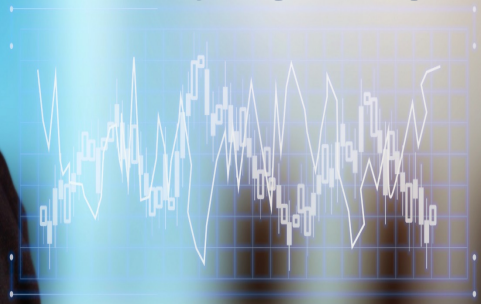
CTMX	▲ +96.0%
CSTO	▼ -0.05%
FTR	▼ -20.0%
CHK	▲ +50.0%
AVIO	▼ -10.0%
DEX	▼ -30.0%
NKY	▲ +65.0%
THLD	▲ +55.0%
OLP	▼ -15.0%
JIB	▼ -25.0%



CASHFLOW STATEMENT	
REVENUE	5,100,000.00
NET SALES	3,100,000.00
OPERATING	1,500,000.00
EXPENSES	1,600,000.00
INVESTING	2,000,000.00
FINANCING	100,000.00
NET INCOME	150,000.00

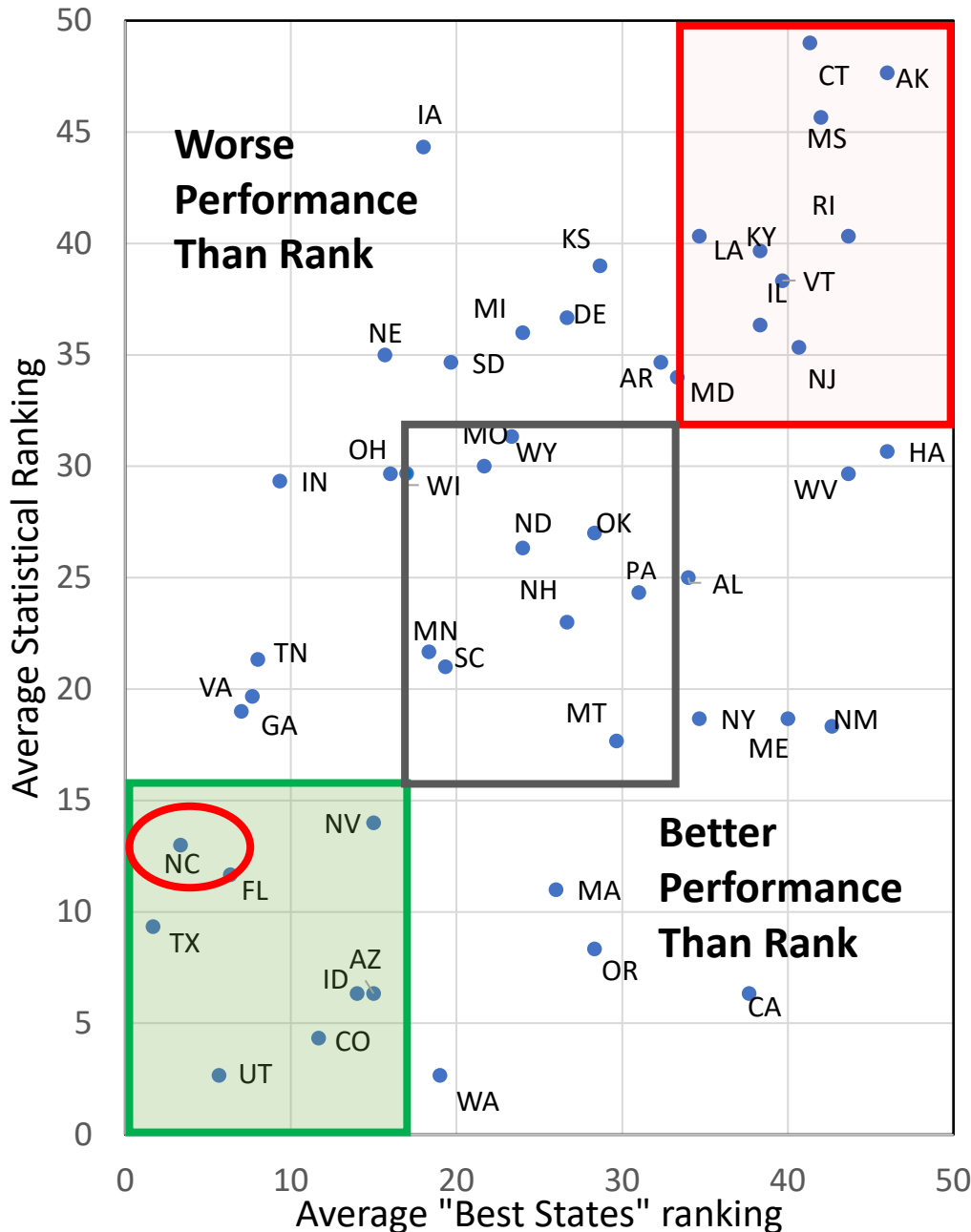
+25.0

CTMX	▲ +96.0%
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STOCK MARKET REPORT

# Rankings and Performance



## States By Average Ranks by Forbes, CNBC, and Chief Executive Executive

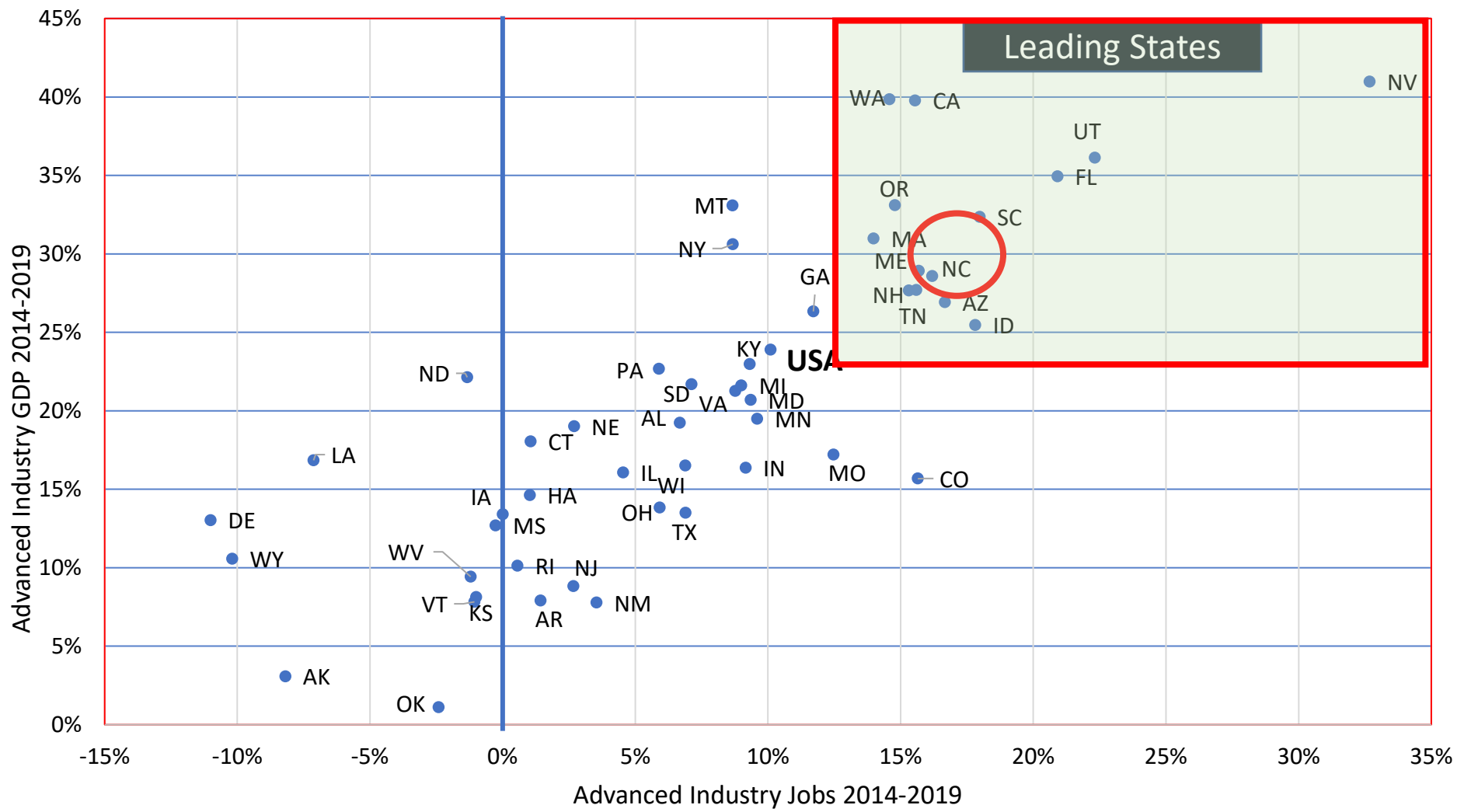
Forbes released 12/19/19; CNBC released 7/10/19; Chief Executive released 6/2/20

Plotted Against

Actual Performance for Job Growth, Wage Growth and Growth in GDP

3 years 2016-2019 Jobs & Wages: BLS QCEW annual; 3 years 2016-2019 GDP: BEA

# Adv Industry GDP vs Adv Industry Jobs % change 2014-2019





Each year Economic Leadership conducts a multifactor analysis of **Manufacturing** competitiveness for a client. Over 50 factors were identified by manufacturing industry executives. North Carolina is ranked 4th, driven by business climate and innovation.

2020 OVERALL STATE RANKINGS

	BUSINESS CLIMATE	WORKFORCE	INFRA-STRUCTURE	INNOVATION	ECONOMIC STRENGTH	TOTAL RANKINGS	
1	Utah	4	5	9T	12T	4	34
2	Texas	2	14	2	11	5	61
3	Florida	12T	16	12	7	18	65
4	North Carolina	2	21	24	5	16T	68
5	Idaho	6	26	20	12T	20	84
6	Arizona	7	34T	27	17	9	85
7	Washington	33	2	30	2	22T	89
8	Indiana	8	19	29	24	11T	91
9	Georgia	32	28	5	14	14	93
10	South Dakota	1	8	4	44T	38T	95
11	Virginia	6	15	6	30	40	97
12	North Dakota	3	9T	1	42	43T	98
13	Oregon	26	44	16	4	10	100
14	Kansas	27T	25	9T	32	8	101
15	South Carolina	18	39	9T	35	1	102
16T	Maryland	39	17T	13T	10	24	103
16T	Michigan	14	47	31T	9	2	103
18	New Hampshire	31	7	42	18T	6T	104
19	Tennessee	10	42T	15	27	15	109
20	Colorado	20	4	37	15T	34	110
21	Kentucky	24	24	8	43	13	112
22	Wisconsin	34	11	31T	26	11T	113
23	Minnesota	43T	17T	13T	20	25T	118
24	Massachusetts	38	6	44T	3	30	121
25	Montana	15	1	25T	39	43T	123
26T	California	49	33	38T	1	3	124
26T	Pennsylvania	47	27	7	21	22T	124
28	New Mexico	19	50	3	22	36	130
29	Alabama	30	41	19	36	6T	132
30	Iowa	42	12	21T	28	31	134
31	Ohio	22	29T	40	25	19	135
32	Nebraska	23	9T	17T	38	49	136
33T	Missouri	11	34T	43	17	35	140
33T	Nevada	17	36	31T	31	25T	140
35	New Jersey	50	22T	28	15T	28	143
36	Oklahoma	16	29T	17T	41	42	145
37	Illinois	48	38	21T	18T	21	146
38	Vermont	37	13	23	34	41	148
39	Wyoming	5	3	50	50	46	154
40	Delaware	36	22T	35	29	37	159
41	Connecticut	41	20	34	23	47	165
42	Maine	35	31	38T	33	29	166
43	New York	43T	40	46	8	33	170
44	Mississippi	12T	49	47	47	16T	171
45	Arkansas	21	46	48T	44T	32	191
46	Hawaii	27T	32	36	48	50	193
47	West Virginia	25	42T	41	49	38T	195
48	Alaska	40	48	25T	37	48	198
49	Rhode Island	45	37	44T	40	43T	209
50	Louisiana	46	45	48T	46	27	212

 top 15

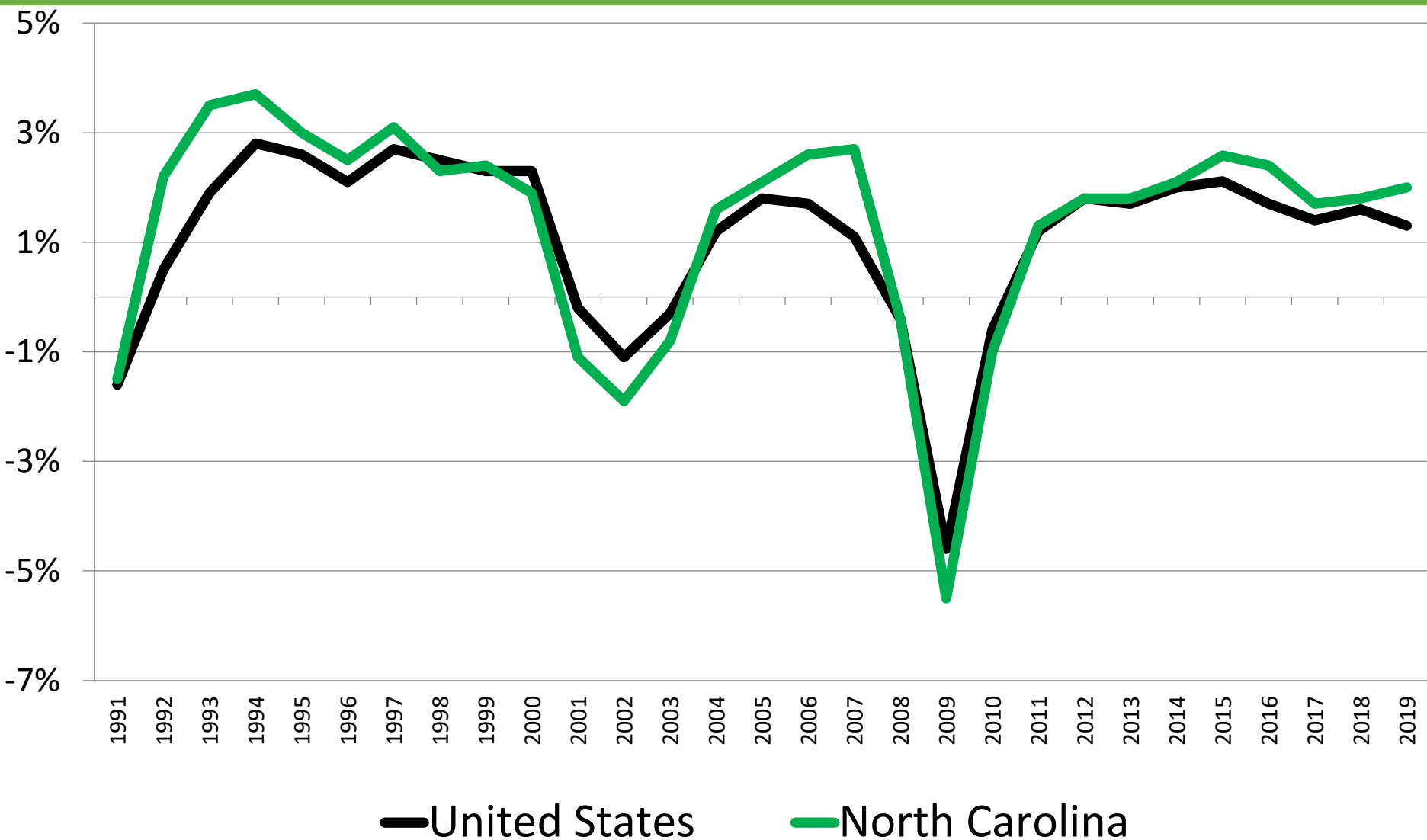
 bottom 15

# Per Capita GDP vs Per Capita Personal Income





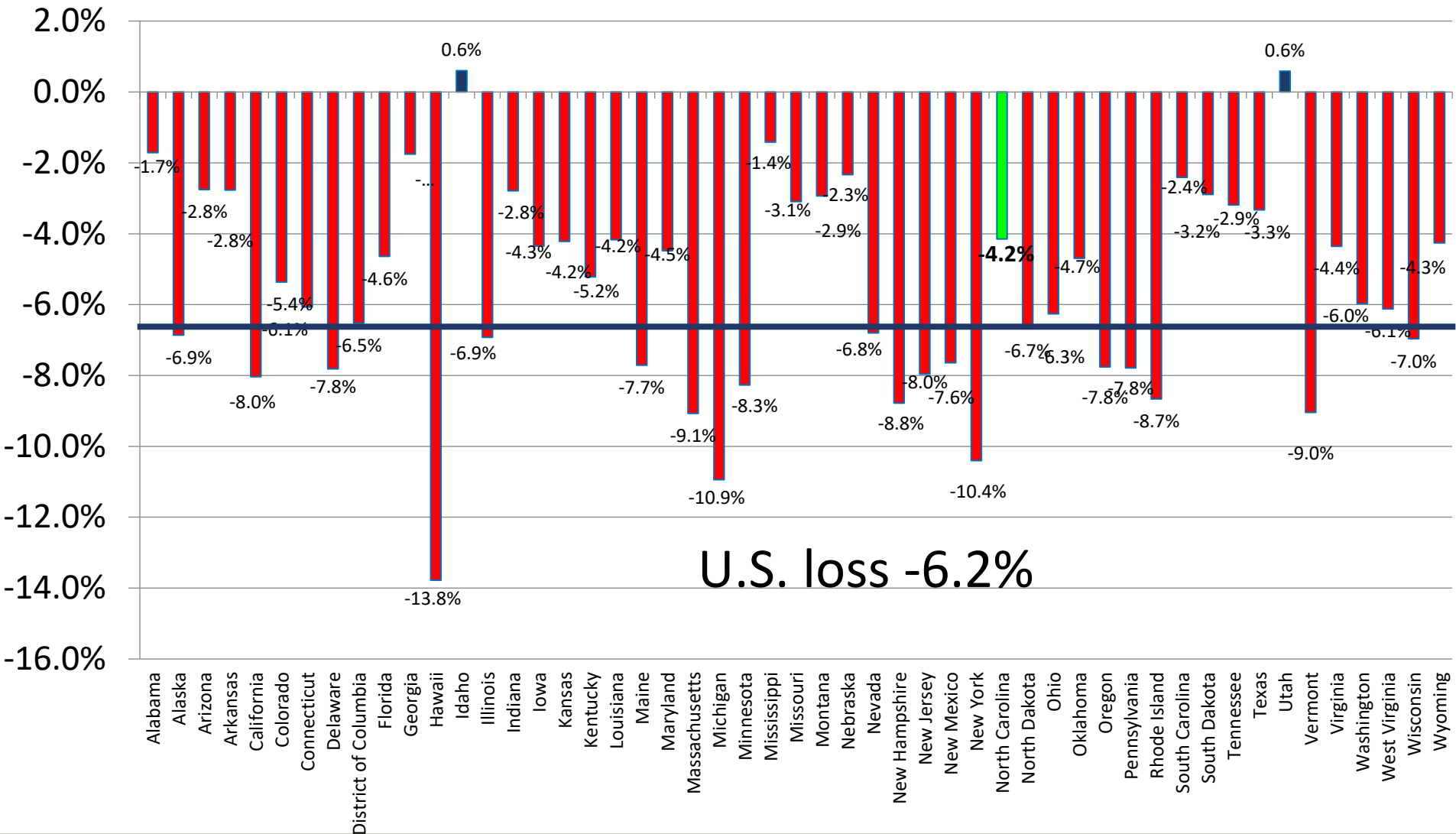
# Percentage Annual Job Change 1990-2019





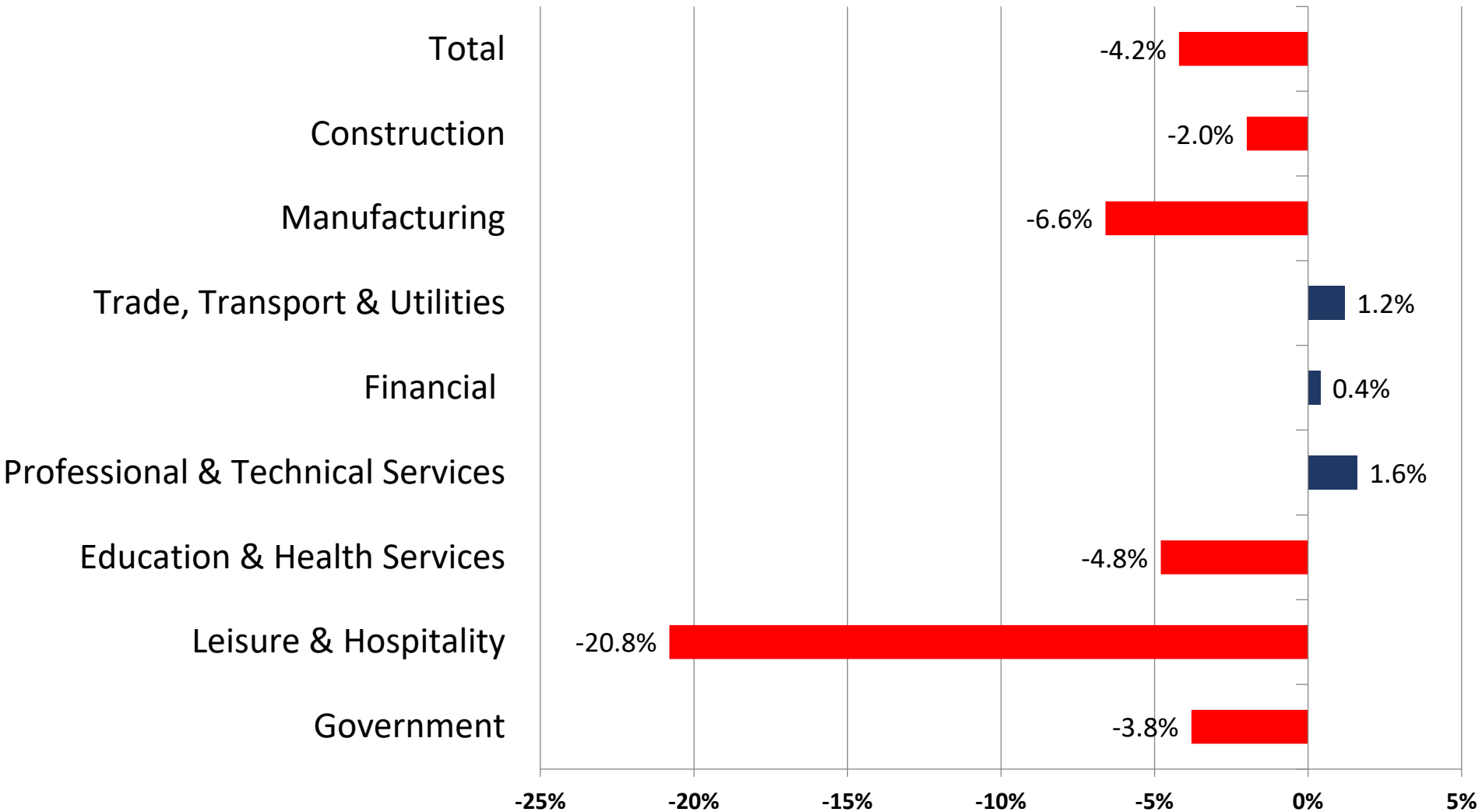
# All States 1-Year

## Total Non-Farm Employment Percentage Change Dec 2019 to Dec 2020



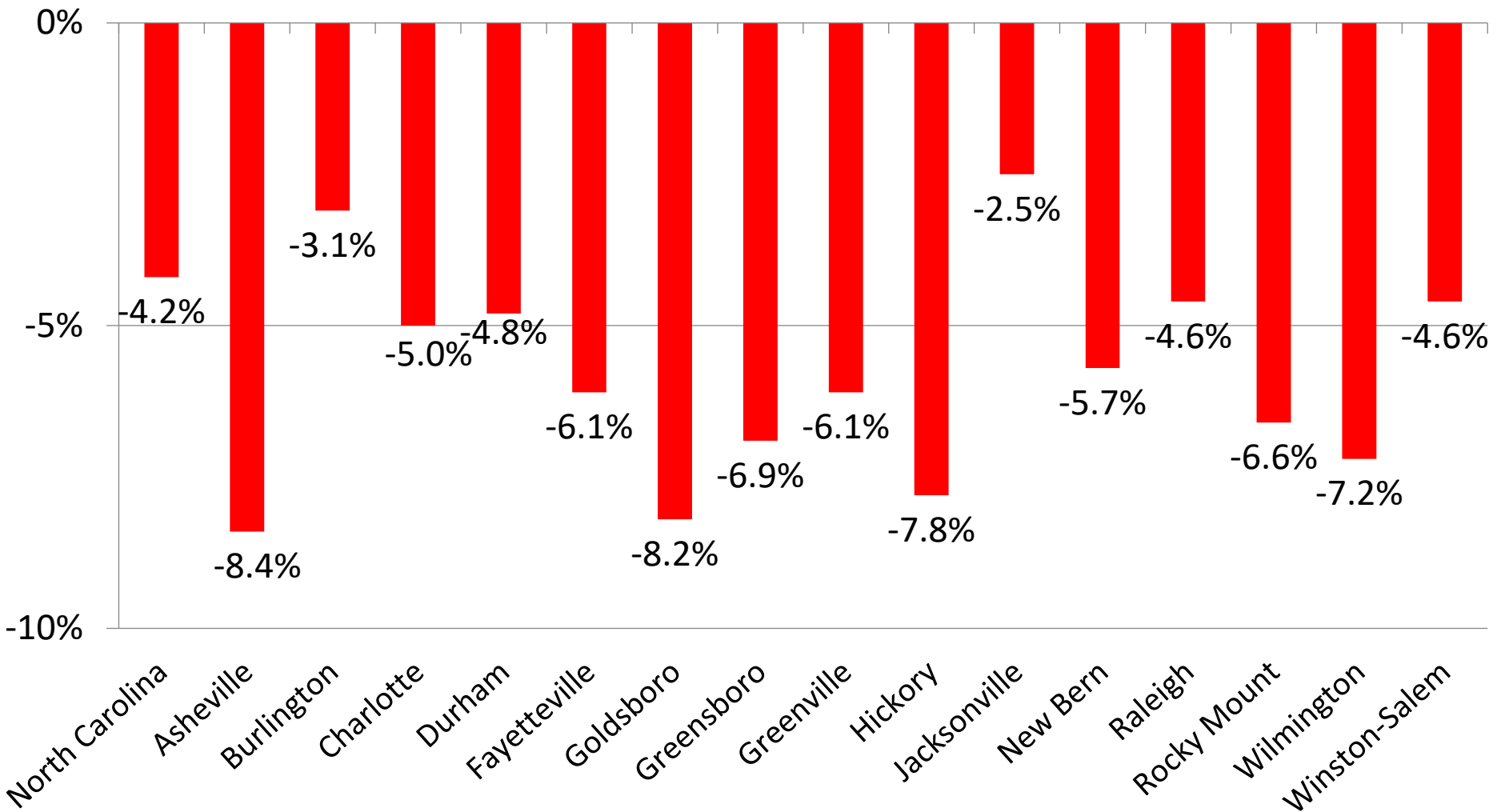
U.S. loss -6.2%

# Employment Change by Sector for NC December 2019 – December 2020



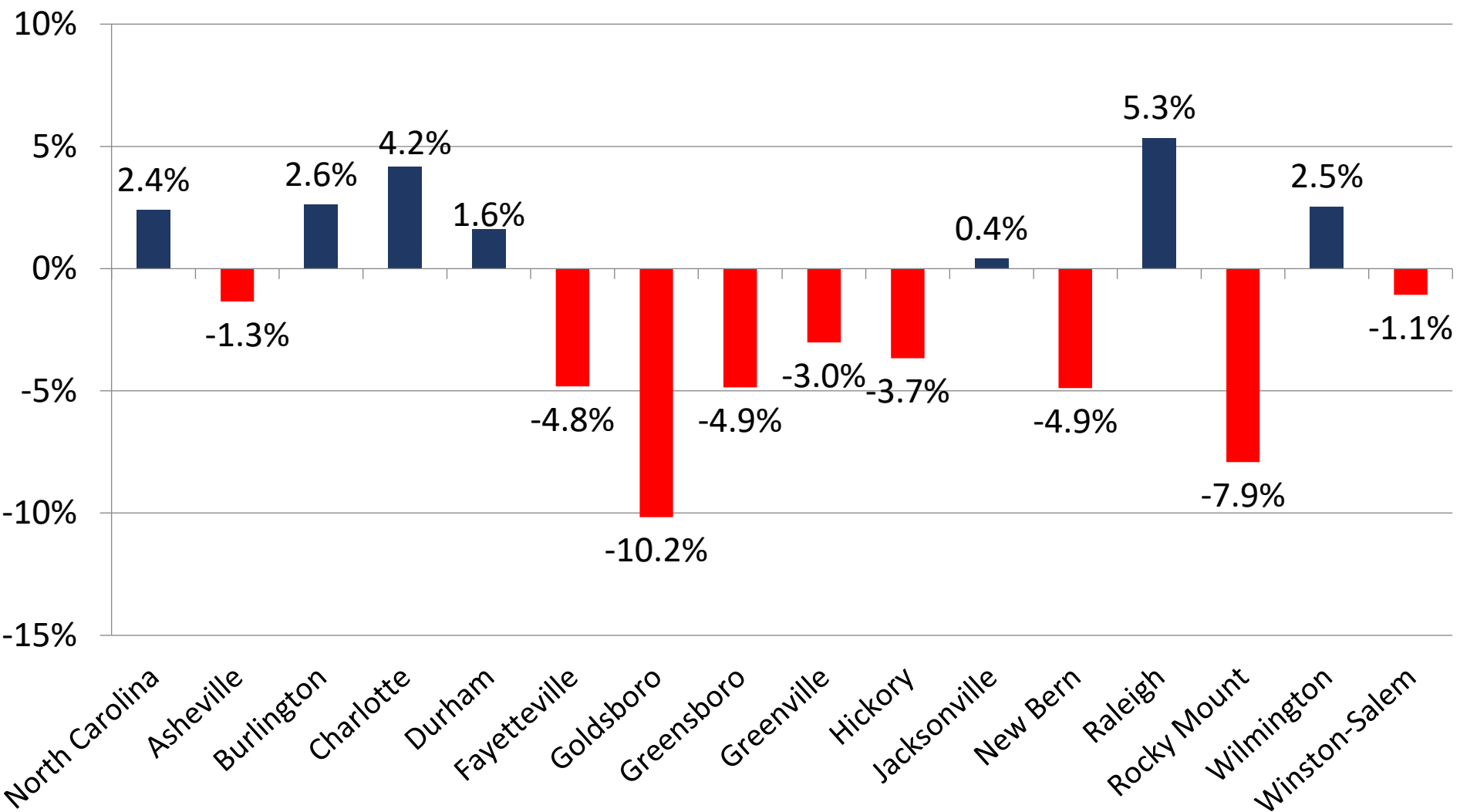
# North Carolina Metros

Non-Farm Employment December 2019 to December 2020



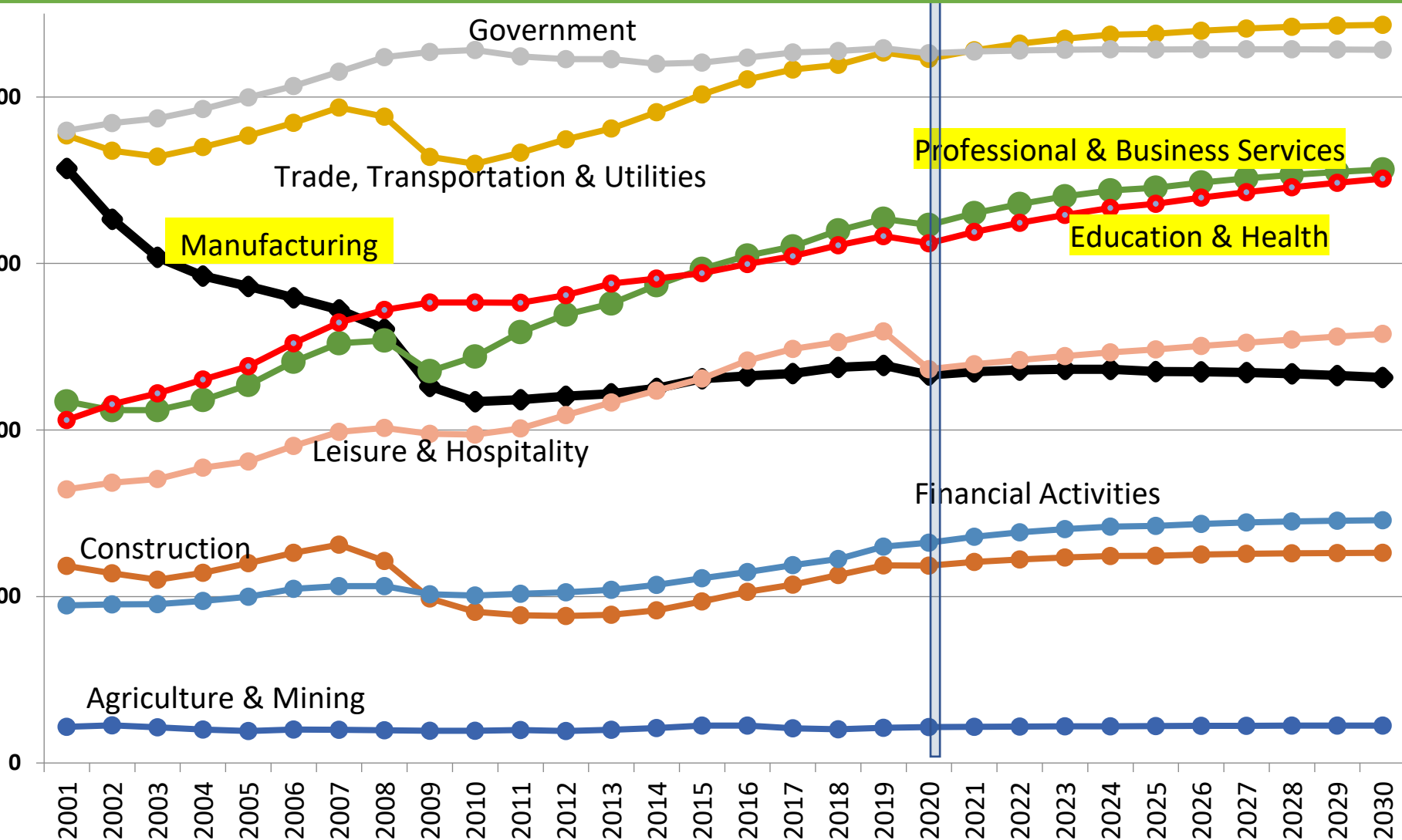
# North Carolina Metros

Non-Farm Employment December 2015 to December 2020

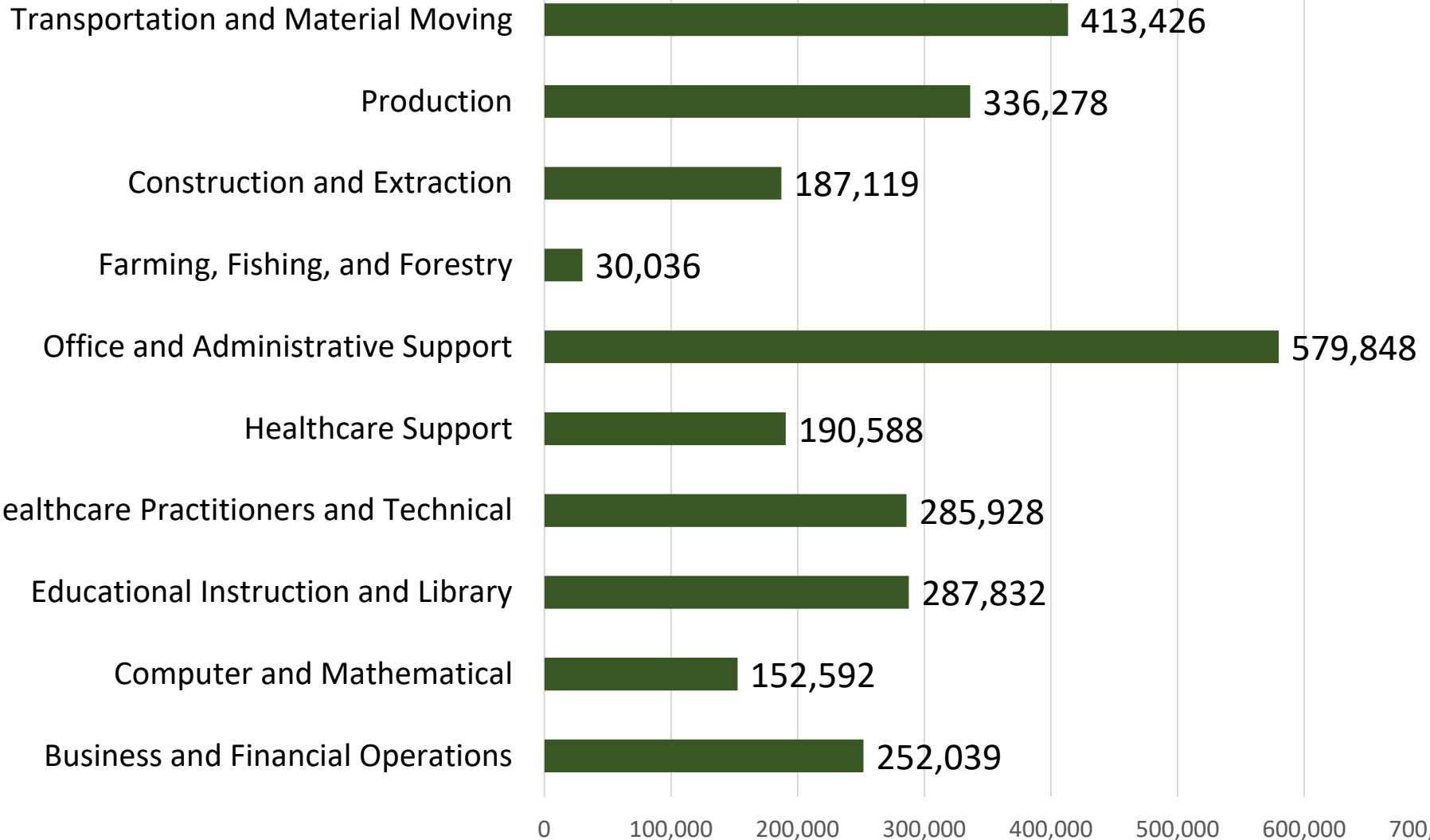




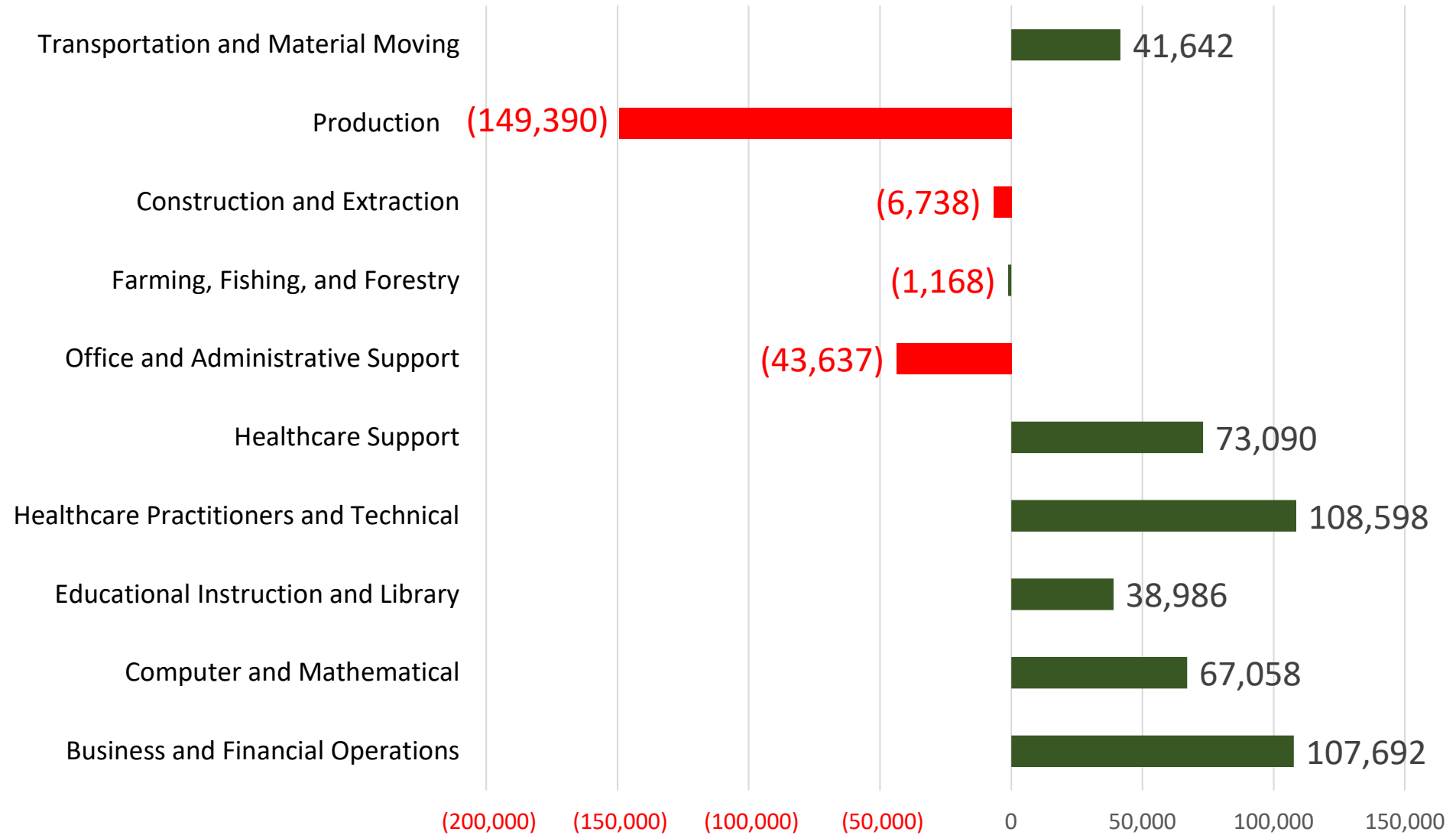
# Employment Change by Sector for North Carolina 2001 - 2030



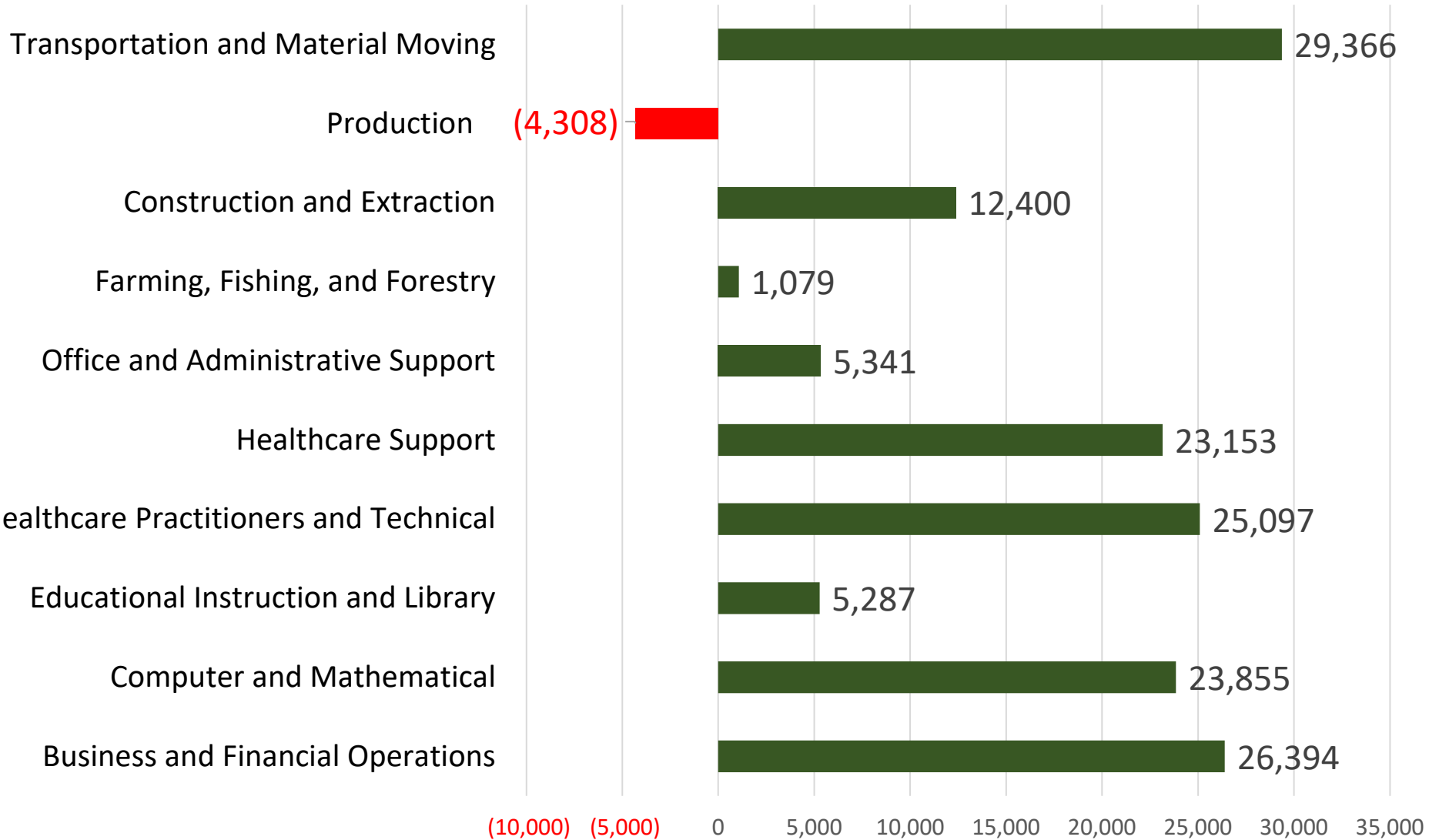
# Occupations Total Jobs 2020



# Occupation Growth 2001-2020



# Projected Occupation Growth 2020-2030







North Carolina

# STATE OF TECHNOLOGY

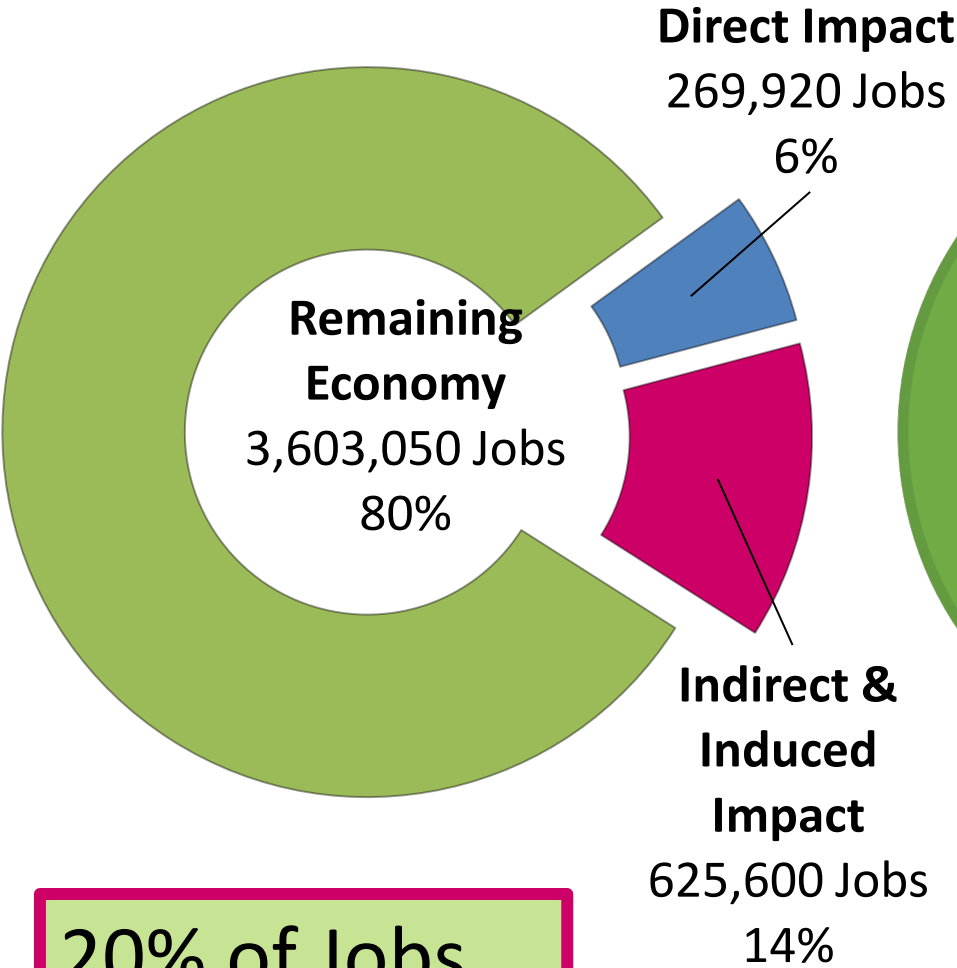
2021 Industry Report & Tech Directory

**NCTECH**  
Association

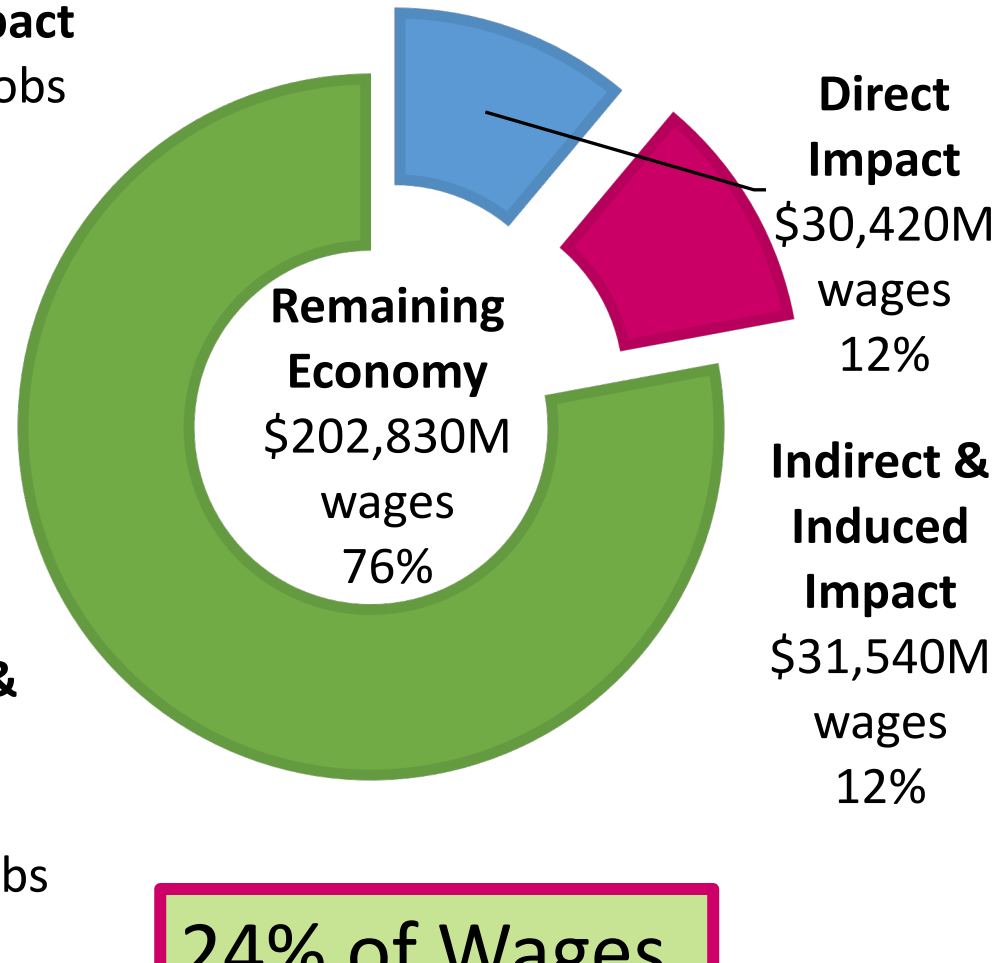


**ECONOMIC**  
LEADERSHIP

# Tech Sector Contribution to State Economy, 2019



20% of Jobs



24% of Wages

# Makeup of Tech Industry

Percentage of Total North Carolina Tech Sector

**Environmental Life**

**Energy Tech**

**Tech**

**Sciences**

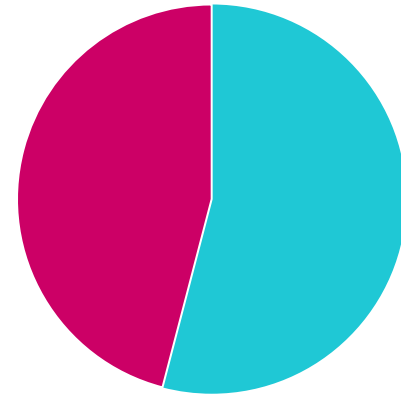
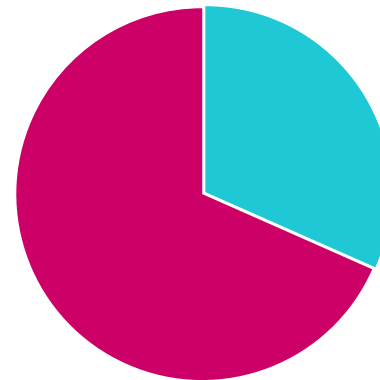
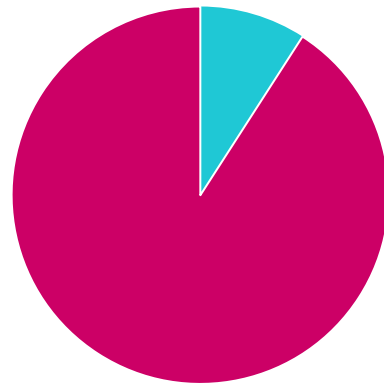
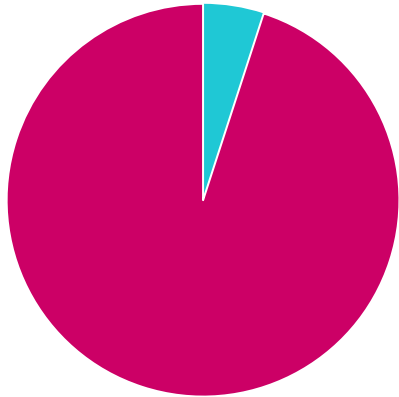
**IT**

**13,336**

**25,300**

**89,946**

**141,337**



**5%**

**9%**

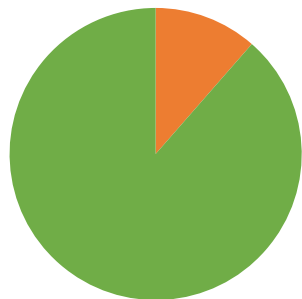
**33%**

**53%**

# Top Four Tech Occupations

Software  
Developers,  
Applications

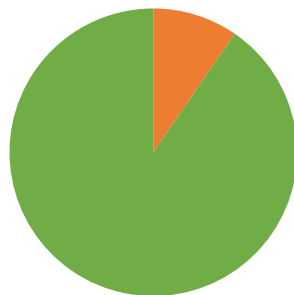
42,898



12.9% \$49.37

Business  
Operation  
Specialists

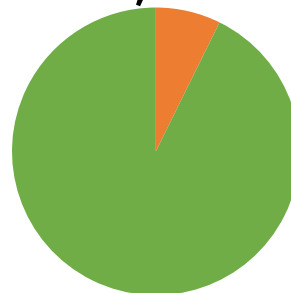
35,218



10.6% \$33.89

Computer  
Systems  
Analysts

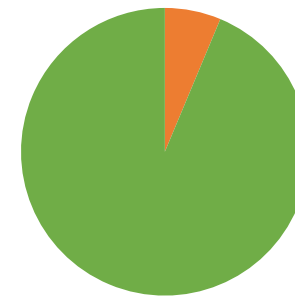
26,149



7.9% \$43.56

Computer User  
Support  
Specialists

22,348



6.7% \$23.65

## Employment Growth Rate, 2014-2019

55%



13%



42%

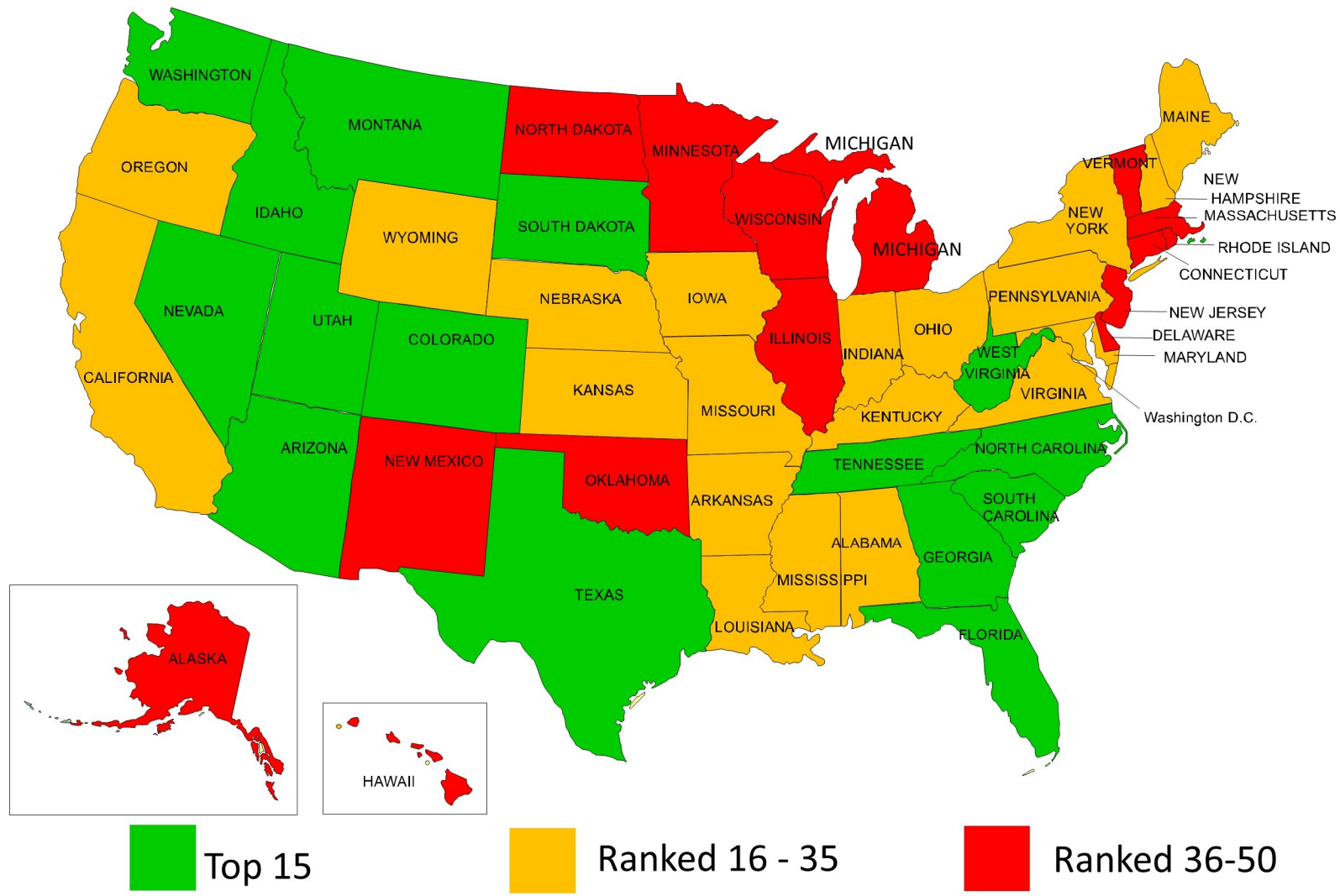


10%





# Expected Tech Occupations Growth, 2020-2025



A close-up photograph of a hand placing a wooden block with the number '01' on top of a row of blocks spelling '2021 TRENDS'. The blocks are light-colored wood with black text. The background is blurred, showing an indoor setting with a lamp and a window.

2021  
TRENDS

# Acceleration & Disruption!

- AI
- IoT
- Robotics
- Blockchain
- VR/MR/AR

Technology

- Longevity
- Fertility
- Family

Social

- Cybersecurity
- Resources
- Weather
- Governance
- Pandemics

Global

Work

- Poverty
- Gig
- Credentials



# Many of the “Temporary” Changes Are Here to Stay

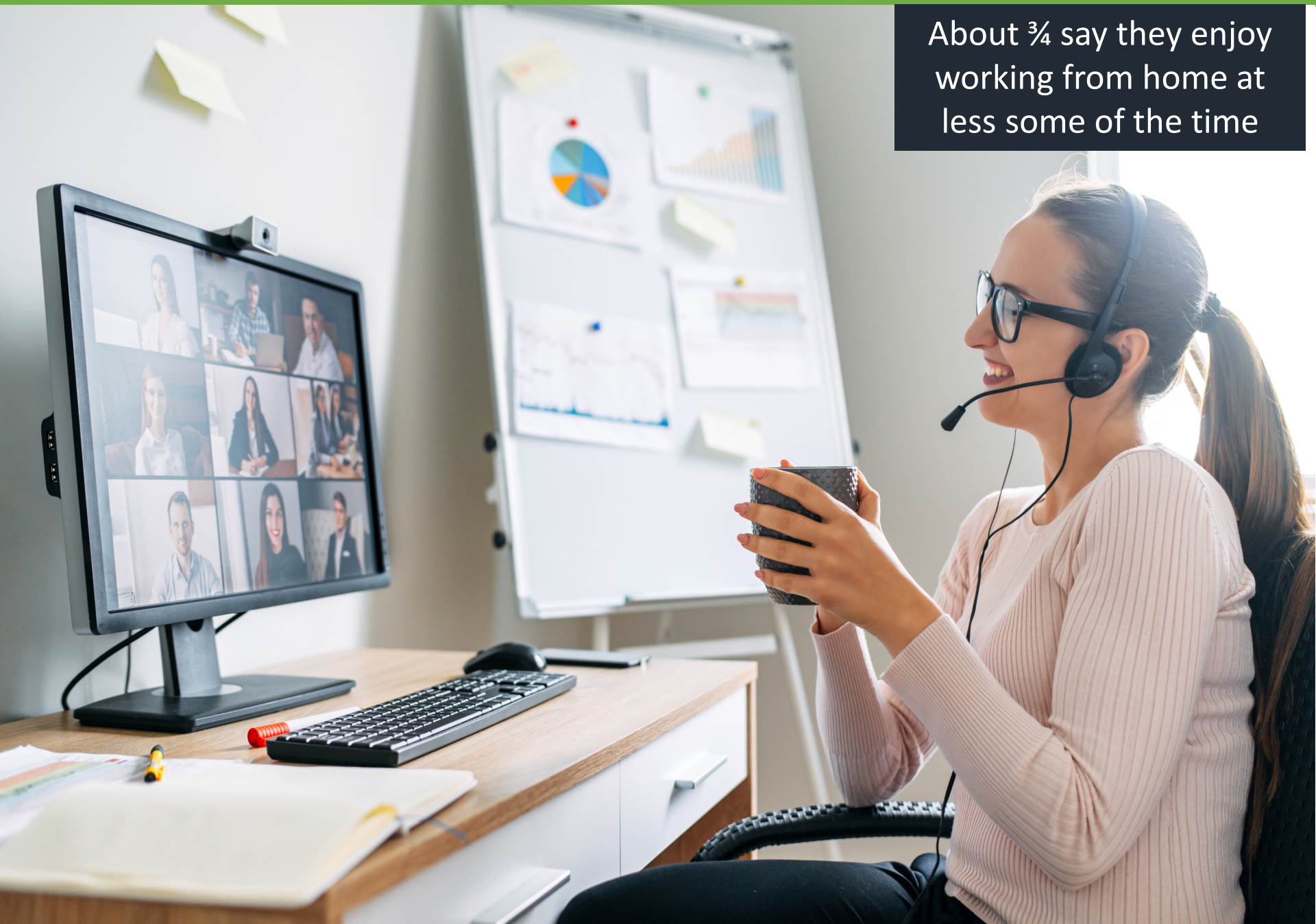






# Increased Remote Work is Here to Stay !

About  $\frac{3}{4}$  say they enjoy working from home at less some of the time





# The Death of Distance Finally Got Here

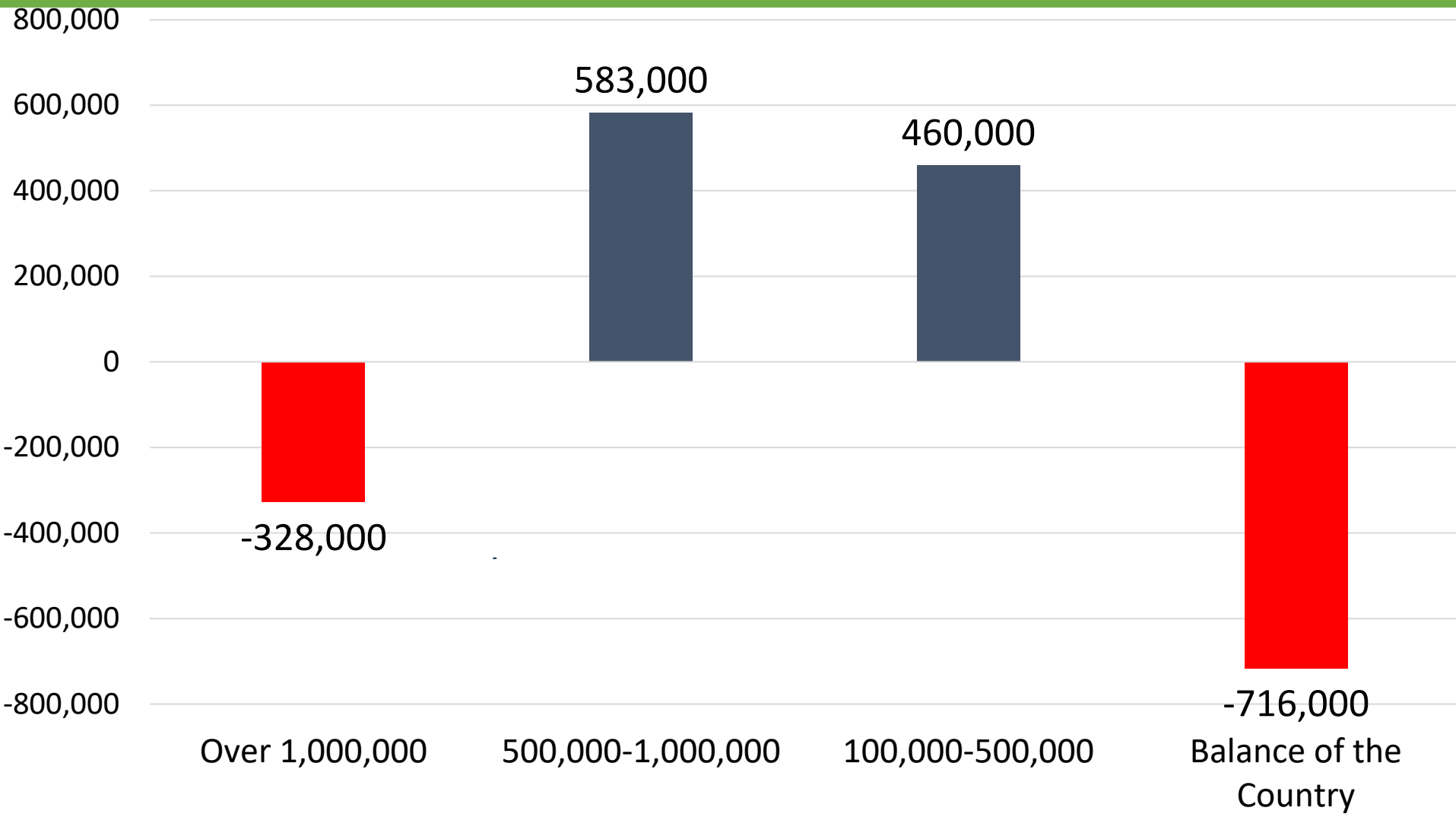




# Relocation Reconsideration



# U.S. Domestic Migration by MSA Population 2010 to 2019

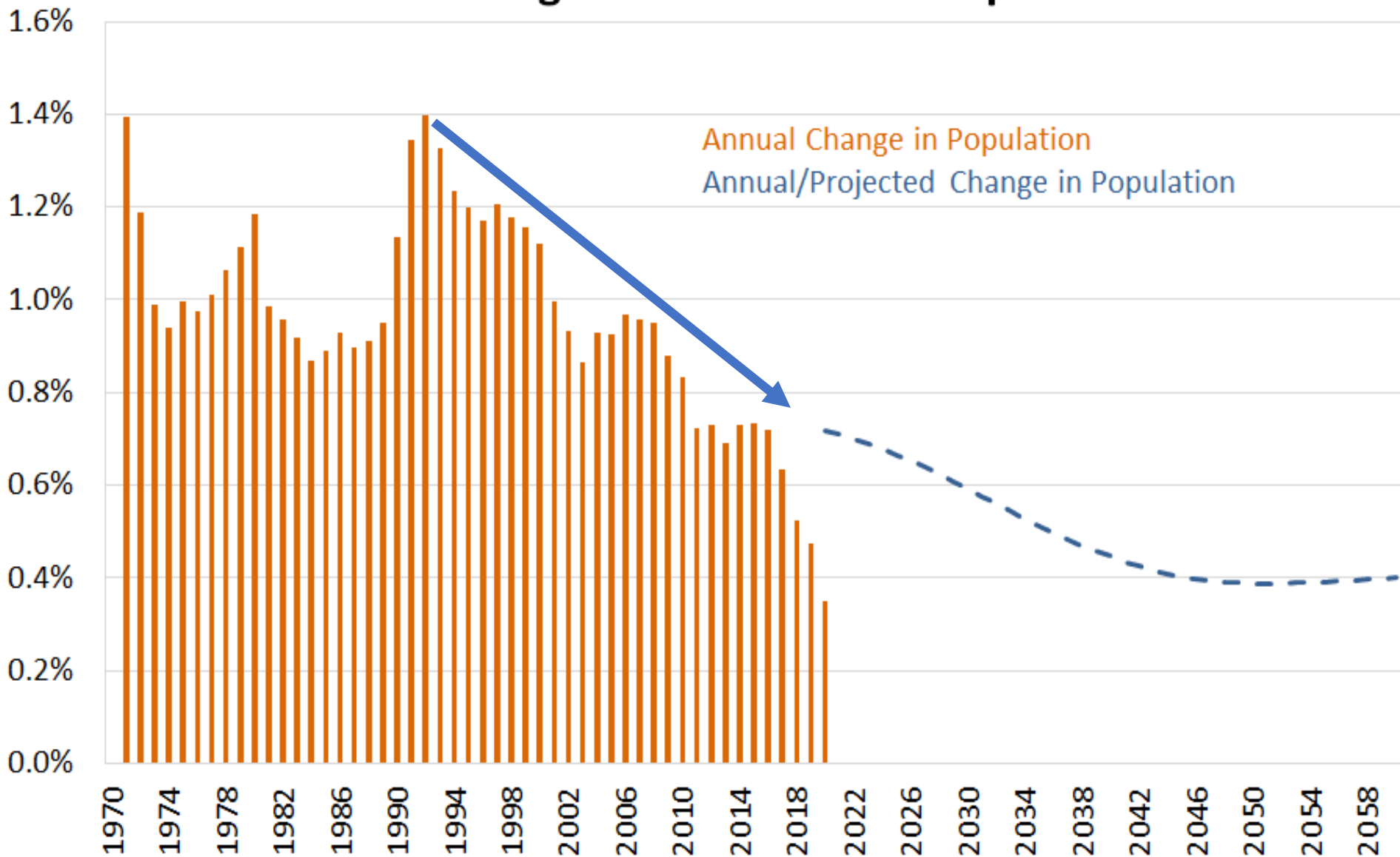






Workforce Challenges Grow

# Annual Change in U.S. Resident Population

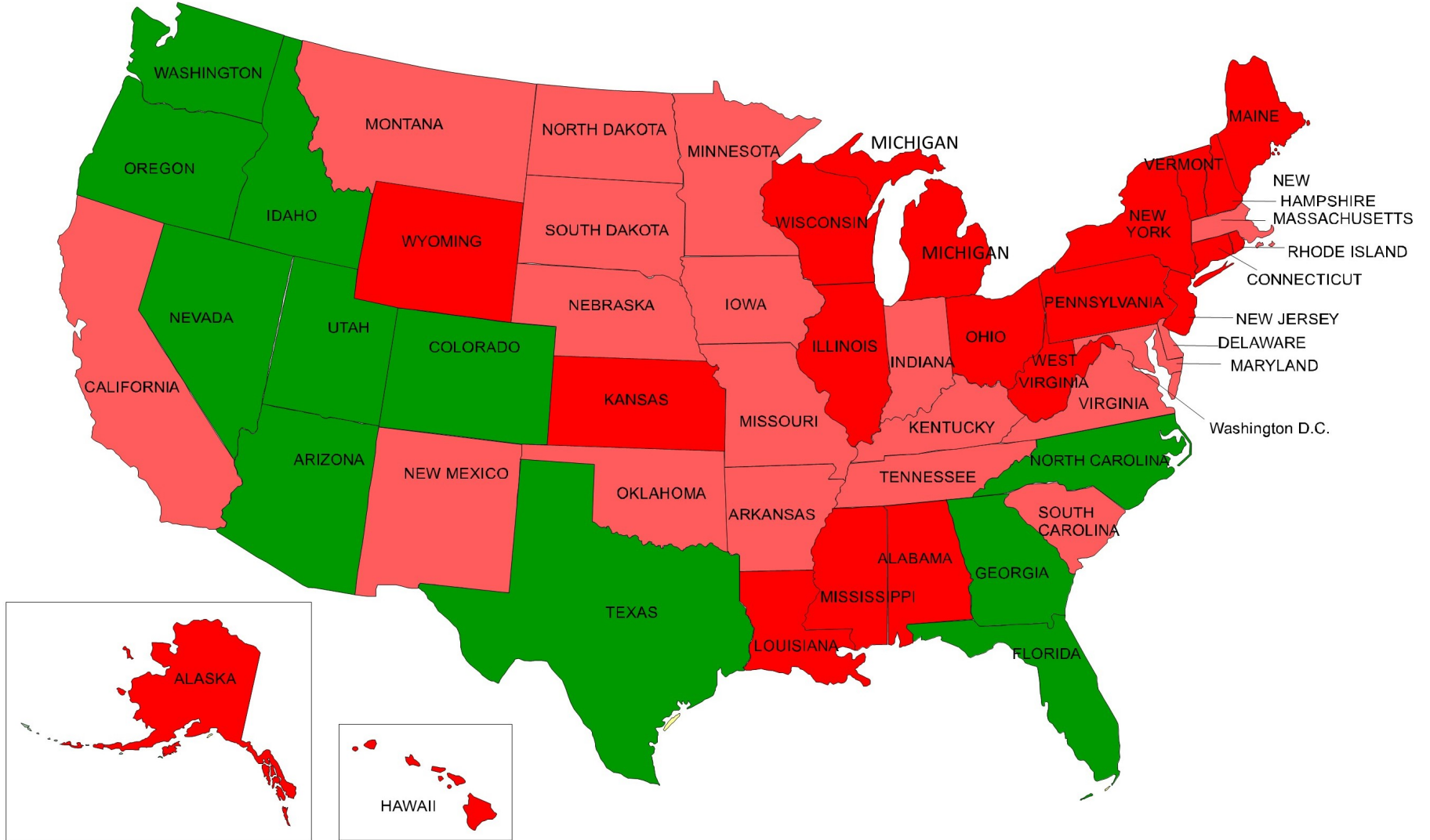


NOTES: The actual change in population is as of Dec. 22. The projected change is as of April 16 and displays the actual change from 1970 through 2019.

SOURCES: Census Bureau and Haver Analytics.



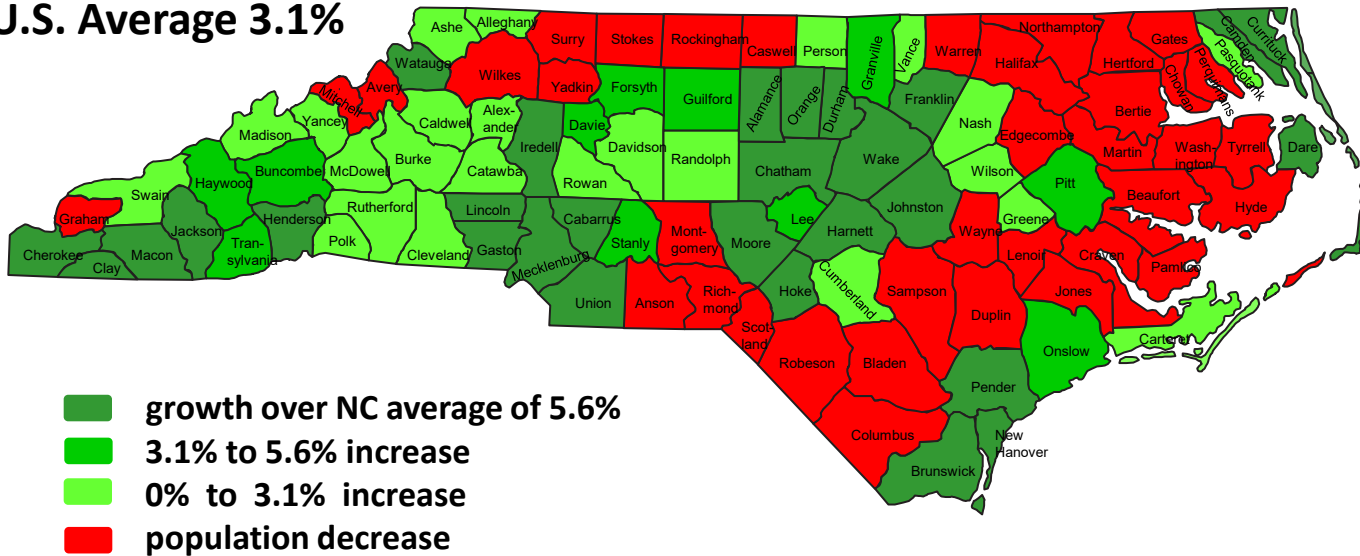
# Projected Population Change 2019 – 2029 Ages 25-64 (Working Age)



■ growing population    
 ■ under 4% population loss    
 ■ over 4% population loss

# Population Growth More Concentrated 5 Year Percentage Change 2014 - 2019

**North Carolina Average 5.6%**  
**U.S. Average 3.1%**



# Workforce Analysis

**LABOR FORCE  
PIPELINE  
(Supply)**

**EDUCATION & TRAINING  
PROGRAMS**

**READY  
WORKFORCE  
(Demand)**

**The cumulative influence of family, community, educational and skill training organizations, and of employers on the skill development of citizens to meet both their needs for livelihood and local employer's need for appropriately skilled workers.**



# Best Practices Examples to Strengthen Competitiveness in North Carolina's Rural Places



# 5 Predictions for 2021 & Beyond

- 1) Affordability will drive increased relocations, but not to, too rural
- 2) Cluster strength becomes more important due to workforce depth (Your strengths are your opportunities)
- 3) Small business formation records will be set
- 4) Talent attraction incentive programs explode
- 5) Major changes emerge in health (preventative, personal, and remote) and higher education (in-demand skills focused, hybrid, self-paced, continuous)



ANY  
QUESTIONS?





# Quick Poll for Participants

Impacts of COVID-19- Check 3 that you are sure are true.

- More people are going to move out of big cities to smaller places
- More people are going to move to rural North Carolina
- More people will work from home
- Businesses are going to replace more people with more robots
- On-line shopping is going to grow and more brick and mortar retail stores will close
- Telehealth is going to grow significantly
- On-line banking will result in many branches closing
- The number of students in in-person higher education will be significantly reduced
- Outdoor recreation will be a more important QOL factor
- The gap between growing communities and all others will widen